

MINUTES
BOARD OF SUPERVISORS
COUNTY OF YORK

Adjourned Meeting
January 14, 2003

7:00 p.m.

Meeting Convened. An Adjourned Meeting of the York County Board of Supervisors was called to order at 7:01 p.m., Tuesday, January 14, 2003, in the Library of Tabb Middle School, by Chairman James S. Burgett.

Attendance. The following members of the Board of Supervisors were present: Walter C. Zarembo, Sheila S. Noll, Donald E. Wiggins, James S. Burgett, and Thomas G. Shepperd.

Also in attendance were James O. McReynolds, County Administrator; and James E. Barnett, County Attorney.

JOINT MEETING WITH THE YORK COUNTY SCHOOL BOARD

School Board Members Present: Barbara Haywood, Chairman; Page Minter; Barrent M. Henry; and Don Felling.

Also present were Dr. Steven R. Staples, Superintendent of Schools; Richard M. Hixson, Deputy Superintendent of Operations; and Dr. James Tucker, Assistant Superintendent for Instruction.

FY2004 BUDGET OUTLOOK

Mr. Dennis Jarrett, School Division Director of Finance, made a presentation on the revenue outlook for the School Division in FY2004. The revenue assumptions included an enrollment projection of 12,500 students and an impact aid projection of \$250,000 based on the FY2002 proposed Federal budget. He then discussed State revenue, stating that it was the second year of the biennium, and the composite index will not change.

Mrs. Carol White, Director of Financial and Management Services, then briefed the two boards on the FY2004 County revenue projections. In terms of local revenue, staff is expecting property taxes to increase 5 to 6 percent, with a 2-4 percent increase expected for other local taxes. A 28 percent decrease from FY03 is expected in all other local revenues due to continued low return on investments. On the State side, the County should see a reduction over FY03 of about 5-11 percent for shared expenses from the Compensation Board, and categorical aid and grants will be reduced by 11-15 percent. Other revenue and transfers for activities such as grounds maintenance and law enforcement should remain level with the 2003 budget. Compared to FY03, minimal growth is expected. Concerns for the FY04 budget include reductions in state funding and the strength of the economy. Overall, the County can expect a \$3 million to \$3.5 million increase over last year. She then discussed the employee compensation system, explaining that a benchmarking system is used for the non-licensed (non-teaching) employees, both County and School Division, through a comparison of pay scales in market areas to maintain competitiveness of the County's pay plan. Based on the benchmarking study, a 3 percent market adjustment has been identified, but no recommendation

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for FY2004 non-licensed County and School personnel is being made at this time due to the uncertainty of the State budget. She noted that staff did not feel a 3 percent increase would be possible at this time.

Mr. Jarrett then briefed the Boards on the licensed personnel (teaching) salary scale, noting that the scale was based on the work of the 1995 Compensation Committee. He explained the compensation lanes, indicating they were based on education level obtained, and that the goal of the Committee was for the personnel to be in the top third of the local market. He noted the County model maintains a pay plan that places starting salaries for positions near the middle of statewide market area pay scales. He also indicated the school staff was not making a recommendation for licensed employee compensation in FY2004 at this time, but the market study identified a need for a 1.1 percent market adjustment.

A brief discussed ensued concerning the importance of maintaining the County's pay plans to remain competitive with other jurisdictions.

Mrs. White addressed the estimated County funding requirements and issues for Fiscal Year 2003, which include:

? Contribution to Schools	\$1,300,000	
? New Programs/Personnel		0
? Employee compensation (steps)	530,000	
? Health Insurance	325,000	
? Capital/Debt—Schools	200,000	
? CIP Debt Service – County	225,000	
? Communications Upgrade	225,000	
? Economic Development	200,000	
? Other	<u>250,000</u>	
TOTAL	\$2,930,000	
? Market Adjustment		?

Mrs. White then addressed the School's estimated requirements for employee compensation, noting that the issues currently identified totaled about \$1.625 million; and given that estimated new revenues currently identified totaled \$1.45 million, there exists an estimated funding gap of approximately \$175,000. She stated that she and Mr. Jarrett would continue to monitor state and federal revenues and keep the Boards posted.

Discussion followed concerning the increase in school enrollment, as well as the teachers' pay plan and the need to look at modifying it to keep teachers with longevity in the system.

Meeting Adjourned. At 8:30 p.m. Chairman Burgett declared the meeting adjourned sine die.

James O. McReynolds, Clerk
York County Board of Supervisors

James S. Burgett, Chairman
York County Board of Supervisors

